



Health Services
LOS ANGELES COUNTY

October 16, 2015

**Los Angeles County
Board of Supervisors**

Hilda L. Solis
First District

Mark Ridley-Thomas
Second District

Sheila Kuehl
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

TO: Mayor Supervisor Michael D. Antonovich
Supervisor Hilda L. Solis
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe

FROM: Mitchell H. Katz, M.D.
Director

SUBJECT: **NOTIFICATION OF DEPARTMENT OF HEALTH SERVICES' USE OF DELEGATED AUTHORITY TO AMEND AND EXTEND THE TERM OF THE MASTER AGREEMENT WITH THE REGENTS OF THE UNIVERSITY OF CALIFORNIA**

Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

This is to advise the Board that the Department of Health Services (DHS) will exercise its delegated authority, approved on August 21, 2012 (attached), to initiate the extension options by executing an Amendment to the Master Agreement with the Regents of the University of California.

Amendment No. 3 exercises the first one-year option through October 31, 2016 for the continued provision of specialty medical laboratory services.

County Counsel has reviewed the Amendment and approved it as to form.

If you have any questions or require additional information, please let me know.

MHK:ls

Attachment

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

Tel: (213) 240-8101
Fax: (213) 481-0503

www.dhs.lacounty.gov

To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.



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Health Services
LOS ANGELES COUNTY

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

Los Angeles County
Board of Supervisors

August 21, 2012

14 August 21, 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Gloria Molina
First District

Mark Ridley-Thomas
Second District

Zev Yaroslavsky
Third District

Don Knabe
Fourth District

Michael D. Antonovich
Fifth District

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF MEDICAL LABORATORY SERVICES MASTER
AGREEMENT
(ALL SUPERVISORIAL DISTRICTS)
(3 VOTES)**

Mitchell H. Katz, M.D.
Director

Hal F. Yee, Jr., M.D., Ph.D.
Chief Medical Officer

Christina Ghaly, M.D.
Deputy Director, Strategic Planning

SUBJECT

313 N. Figueroa Street, Suite 912
Los Angeles, CA 90012

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Request approval to execute Master Agreement with the Regents of the University of California, UCLA Immunogenetics for specialty laboratory testing services for the Department of Health Services, Harbor-UCLA Medical Center Renal Transplant Program.

IT IS RECOMMENDED THAT YOUR BOARD:

To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.

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1. Authorize the Director of Health Services (Director), or his designee, to execute an Amended Master Agreement with the Regents of the University of California, UCLA Immunogenetics (Regents), for the provision of specialty medical laboratory services on behalf of the Department of Health Services (DHS), effective upon execution through October 31, 2015, with provisions to extend the Agreement term for up to two additional one-year periods and six month-to-month extensions, at an estimated net County cost of \$1.5 million for the term of the Agreement.

2. Delegate authority to the Director, or his designee, to exercise the two additional one-year extension options, through October 31, 2017, and the six month-to-month extension options, through April 30, 2018, by executing amendments to the Master Agreement, subject to prior review and approval by County Counsel with notice to the Board and the Chief Executive Office (CEO).

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

Approval of the first recommendation will enable the Director, or his Designee, to execute a new Amended Master Agreement, substantially similar to Exhibit I, with the Regents. The Master Agreement is for the provision of specialty laboratory testing on an as-needed basis for the Renal Transplant Program at Harbor-UCLA Medical Center (H-UCLA MC).

As part of the process for transplanting a kidney, patients and donors must undergo several "transplant matching" tests to ensure organ transplant compatibility. The Regents immunogenetics laboratory is one of a few laboratories in Southern California that can provide these types of complex tests in a timely manner for kidney transplant patients. Without these essential services, renal transplant patients will be negatively impacted by H-UCLA MC's inability to provide kidney transplant services.

DHS currently has Master Agreements for lab services with four firms, but none of these firms provide the requested specialty lab tests in Southern California. DHS is amending the Lab Services Master Agreement for the Regents because, as a subdivision of the State, there are limitations to certain Master Agreement terms. These terms are listed in Attachment A.

Approval of the second recommendation will allow the Director, or his designee, to execute amendments to extend the Master Agreement for the optional extension periods.

Implementation of Strategic Plan Goals

The recommended action supports Goal 3, Integrated Services Delivery of the County's Strategic Plan.

FISCAL IMPACT/FINANCING

Expenditures under the Master Agreement will vary depending on the volume of services provided. Based on historical volume, estimated costs are \$ 1.5 million for the term of the contract. Funding is included in H-UCLA MC's Fiscal Year 2012-13 Adopted Budget and will be requested in future fiscal years as necessary.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On October 5, 2010, the Board approved the Medical Laboratory Services Master Agreement with four vendors. The Board also approved delegated authority for the Director, or his Designee, to execute Master Agreements with new qualified vendors that are identified and meet the qualifications set forth in the Request for Statement of Qualification process. The Regents has submitted an Statement of Qualification and is a qualified lab services vendor.

The County of Los Angeles and the Regents had a sole source agreement in place for these services but that agreement expired June 30, 2012. DHS asked the Internal Services Department to issue an emergency Purchase Order with the Regents for lab services pending the execution of a new Master Agreement. DHS notified the Board of this action on June 28, 2012. (Attachment B).

County Counsel has approved Exhibit I as to use and form. The Master Agreement permits either party, to terminate the Master Agreement upon giving the other party 10 days' advance notice. The

The Honorable Board of Supervisors
8/21/2012
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Master Agreement is amended to accommodate the Regents' limitations as a State subdivision for certain County terms & conditions. These terms are identified in Attachment A. The Department has determined that the value of the service provided to the County and its patients far outweighs any risk associated with the changes to County standard terms and conditions.

CONTRACTING PROCESS

Not Applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

Approval of the recommendations will ensure the continued provision of medical laboratory services for the Renal Transplant Program at H-UCLA MC.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mitchell Katz". The signature is fluid and cursive, with the first name "Mitchell" written in a larger, more prominent script than the last name "Katz".

Mitchell H. Katz, M.D.
Director

MHK:smh

Enclosures

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors